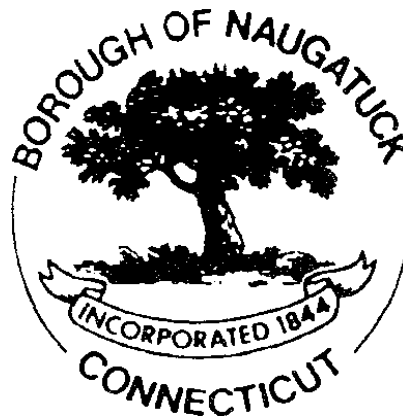


Human Resources

Annual Report

April, 2008 through March 31, 2009



April 2, 2009

Borough of Naugatuck

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Our Mission Statement

The mission of the Human Resources Department is to support the Borough's vision of providing the highest quality services to the citizens of the Borough of Naugatuck. Human Resources will accomplish its mission by providing outstanding customer service, maintaining knowledge of current developments in the field, and by consistently providing high quality strategic and support services.

We are committed to creating a high performance work environment in which our corporate values of customer service, teamwork, continuous learning, individual responsibility and accountability, and trust and respect are embedded in all of the work we do. We will provide excellent service to our entire customer base in a timely, efficient, and confidential manner, while bringing innovation, best practices and leadership to the Borough.

Our Services

The Human Resource Department is comprised of two employees who have responsibility for the following human resource management functions:

- Workforce administration
- Recruitment and retention
- Labor relations and collective bargaining
- Workers compensation and risk management
- Affirmative action and compliance
- Policy development and interpretation
- Workforce development and training
- Performance management
- Employee on-boarding
- Compensation and classification
- Employee relations and activities

Accomplishments

Enhanced communication and responsiveness

In the past, there was a need identified for improved communication and a closer working relationship with Payroll and Accounting personnel. Through our collective efforts, there is a seamless working relationship between Human Resources and Accounting, Payroll and Finance personnel with respect to many of the areas noted above, with primary emphasis on Payroll, Benefits Administration and Design, OSHA compliance, retirements, and collective bargaining. During this past year, Human Resources has assumed responsibility for health benefit administration and troubleshooting customer service issues for employees with the insurer.

There is always a need for improved responsiveness to staff, department heads and unions. We enjoy a highly collaborative relationship with all Borough departments in a number of employment related issues, such as the hiring process, performance management, disciplinary matters, grievances and other labor management discussions, risk management and OSHA compliance, employee separations, workforce planning and training. Several letters have been received from Borough department heads and staff acknowledging our work. We feel privileged that the Human Resource Department has been recognized by Burgesses on numerous occasions.

In April, 2008, we convened a meeting with all unions for the purpose of discussing the need for proactive communication, minimizing conflict, and establishing a healthy labor-management relationship. The Director maintains an open door policy for union representatives, supervisors and employees. Based upon the nature, number and quality of interactions on a formal and informal basis, improvement has occurred. While there will always be areas of disagreement, we feel we are making strides.

Workforce Administration

We maintain demographics of the workforce and monitor them as needed. As you will note in **Exhibit A**, there is a breakdown of Employees by Age Group, with the highest numbers of employees age 40 – 49. **Exhibit B** indicates Employees by Annual Salary with the highest number of employees located in the salary range of \$45,001-\$55,000.

Exhibit C indicates the breakdown by Gender Representation with the majority noted as Male.

Exhibit D represents a breakdown of employees by years of service with the highest number less than five years of service, followed by 15-19 years and 20-24 years. It is noteworthy that 61 employees or 23% of our employees have service over 20 years. With this, we may see more retirements, the need for workforce planning and perhaps the opportunity for reorganization for greater efficiency.

Exhibit E reflects a breakdown by level in the organization; non-management employees are 85% of the workforce which is a positive percentage in terms of unnecessary overhead. **Exhibit F** shows the breakdown by bargaining unit, with Police, Fire, UPSEU and AFSCME with the highest percentage of membership.

To illustrate the growth in the workforce over the years, please refer to **Exhibit G**, employment remained flat in 04/05 and 05/06. While the graph appears to show significant growth, there was not. As noted in **Exhibit G1**, the actual growth in the workforce in 06/07 was 2%, in 07/08 the workforce grew by 1%, and in 08/09 staffing grew by 1%. **Exhibit H** shows the numerous Job Titles held by employees. Our goal should be to negotiate with bargaining units to consolidate like titles where possible.

Recruitment and Retention

There were twenty (20) hires or replacements during the period of April, 2008 through March, 2009. The average time to fill these vacancies, from the closing date of the posting, varies by department and process. Fire and Police have a more extensive hiring process, and consequently, the time to fill is longer than the other areas.

The Human Resource Department works collaboratively with the Police Department in many areas, including recruitment. Representatives from Human Resources join Police Officers to recruit at job fairs at local universities and colleges. The Director participates in the interview process led by the Police Commission in hiring new police officers. Recent efforts to recruit a broader group of police officers resulted in receipt of over three hundred (300) applicants who responded to the advertisements. Of those applicants, through outreach efforts and advertising in the Northeast Minority News, the pool includes 47 minorities. In addition, this year a new and improved new employee on-boarding process was designed and implemented to ensure that new employees are

oriented fully to the Borough's policies, procedures and work culture. The breakdown of advertising by department is attached in Exhibit I.

Labor Relations

Collective Bargaining

The Mayor and the Board of Burgesses have delegated the responsibility for negotiating contracts and entering into special agreements to a negotiating committee including, Corporate Legal Counsel, the Director of Human Resources and Controller. The Committee works both publicly and informally in these negotiations. The Mayor and the Burgesses play a vital role in the process, by advising the committee and approving any agreements that are reached or determinations to advance to arbitration.

The Human Resource Department is responsible for dealing with labor issues, which are any number of issues, including contract interpretation, mediation, requests for information, and conflicts emerging from issues related to the various collective bargaining unit agreements. Seven (7) collective bargaining agreements are scheduled to expire June 30, 2009 and one (1) agreement is scheduled to expire on June 30, 2010. We are very pleased that the negotiating committee has, as of this writing, negotiated Agreements with three (3) of the unions to accept a wage freeze in lieu of lay-off according to specific provisions outlined in each Memorandum of Agreement. As of this writing, draft Memoranda of Agreement have been provided to IAFF, AFSCME and UPSEU. If Agreement is not reached, we will enter into contract negotiations.

Contract Administration

The Human Resource Department also assists and guides managers and department heads, when needed, with the interpretation of and ensuring compliance with all collective bargaining agreements. It is critical that the Borough complies with collective bargaining unit agreements and that all departments consistently apply their provisions.

Grievance Administration

Many, but not all, grievances arise from miscommunications between the parties. Some are the result of different interpretations of contract language. Union agreements call for step one of the grievance process, depending upon the union, to be handled by Department head with Human Resources at Step 2, the Human Resource Department is

often called on to assist department heads in serving as a sounding board prior to the grievance response. This is done to ensure consistency; it is important for all to consider how an answer to a particular grievance might impact other departments or create an unintended precedent. Grievances can be appealed through several venues, including but not limited to, the Director of Human Resources, Burgesses (Chapter 90), Mediation, and Binding Arbitration. Human Resources is responsible for both hearing and responding to grievances and assisting supervisors, managers and department heads resolve grievances, when it is appropriate to do so. We are also intimately involved in all arbitrations.

During the period April, 2008 through March, 2009, twenty (22) grievances were filed and four Prohibited Labor Practices (4) charges were registered. At this time, one (1) arbitration remains open and one unusual workers compensation case filed out of state; all other grievances have been resolved and/or withdrawn.

It is our sense that through management's efforts to open lines of communication, greater coordination between Human Resources and department heads, department heads and unions, and regular interactions between Human Resources and the various unions and legal counsel, progress has been made with respect to the labor-management relationships.

Discipline

It is the responsibility of human resources to administer disciplinary functions for the Borough. This includes conducting investigations, assisting supervisors in the disciplinary process, and ensuring fairness and consistency. It is our practice for all department heads to consult with the Director when initiating disciplinary action. The Director of Human Resources must approve any disciplinary action that results in an employee being suspended or terminated.

During the period April, 2008 through March, 2009, several investigations and various progressive disciplinary actions were implemented including verbal and written warnings, suspension and performance improvement plans. For confidentiality purposes, they are not included in this report.

It is important to understand that the process of administering discipline is a complex one. It includes, but is not limited to, investigating the facts, revisiting past discipline, past performance issues as well as consideration of mitigating factors that may have a bearing on the outcome in a grievance process. Once the facts have been substantiated as to the who, when, where, and what, we must consider if there are other external or internal factors that would cause us to pause and use a "reasonable person" standard in terms of the appropriate disciplinary action. This requires judgment and guidance from legal counsel as to what course of action we propose. We also must keep in mind that the purpose of discipline is to correct behavior and it should not be punitive. This is what we strive to do and to treat employees fairly. While grievances have been filed relative to disciplinary action, they have either been resolved or withdrawn.

Employee Relations

In August, 2008, Human Resources convened an Employee Activities Committee comprised of employees of the Borough. The vision of the Employee Activities Committee is to create a series of activities that involve employees in creating an organizational culture that enhances employee morale. The activities held during this short period of time were a Silent Auction, Military Drive, Jersey Days, Holiday Bazaar, Deans Holiday Get Together, Bake Sale, Valentine's Breakfast, Employee Activities Survey, St. Patrick's Day Breakfast and Holiday Raffle. We keep our focus on the vision of the Committee and work to try to involve employees from all sites of the Borough and improve morale.

The Borough has also participated in seasonal games with the Naugatuck Board of Education staff including a basketball game and swimming event. In the spring, there will be a softball game. We are pleased to play our part in these worthwhile efforts. All funds raised benefit the Naugatuck High School sports teams in season. Additionally, the games have brought together employees from both agencies in a team setting providing a sense of teamwork and camaraderie.

The Human Resources Department has coordinated vendors to present to the employees for their convenience, such as credit unions, wholesale food establishments, Prepaid Legal, and the YMCA. We have also coordinated the Flu Clinic and the United

Way Campaign. Our efforts coordinating the United Way campaign resulted in a 33% increase in contributions for this campaign year. Consequently, on March 5, 2009, the Director of Human Resources and HR Assistant were recognized as Coordinators of the Year for United Way Naugatuck and Beacon Falls.

Benefits Administration

Human Resources conducted a very successful open enrollment during this calendar year. In addition, we recommended revisions to the Borough long term disability program to comply with regulations, worked with Accounting staff to implement those changes, educated staff, and enrolled all eligible employees into the plan. We have facilitated three (3) question and answer sessions for employees with insurance vendors, and we have another two planned within the next thirty (30) days. As the State of Connecticut, Department of Insurance modified its definition of a "dependent", we ensured that all employees were notified and changes implemented. Additionally, notifications were distributed to employees/retirees relative to Medicare Part D.

In addition, Human Resources assumed responsibility for maintaining all notifications and recordkeeping in compliance with the Consolidated Omnibus Budget Reconciliation Act (COBRA) health benefit provisions. The law amends the Employee Retirement Income Security Act, the Internal Revenue Code and the Public Health Service Act to provide continuation of group health coverage that otherwise might be terminated. Very recent changes emerging from the Federal Stimulus Package, known as the American Recovery and Reinvestment Act of 2009 (ARRA) was signed on February 17, 2009 and contains new COBRA provisions and subsidies. A priority for Human Resources, in collaboration with Accounting, will be learning, explaining and processing these new provisions and requirements that we will need in order to comply with the regulations from the Department of Labor (DOL) and the IRS. Our objectives are to:

- Understand the American Recovery and Reinvestment Act (ARRA)
- Present an Overview of the New COBRA Requirements to employees
- Acquire a full understanding of Premium Assistance and Limits - How Employers Actually Get Reimbursed
- Understand the implications under HIPAA, Pre-existing Conditions
- Obtain COBRA Forms and Notices
- Learn the DOL Notice Obligations & Forms and avoid Penalties for Violations

Workforce Development/Training

Training is offered to Borough employees by Human Resource staff, Departmental staff (Police and Fire), CIRMA and through the Municipal Government Training Academy.

Exhibit J reflects a breakdown of training participation by Borough employees in broad categories of development, whereas, the following lists the specific courses that our Borough employees have taken.

<u>Compliance</u>		
Sexual harassment OSHA Hazardous Materials Investigating Accidents and Injuries Legal Aspects of Performance Appraisals Blood Borne Pathogens		
<u>Leadership</u>		
Essentials of Leadership Getting Started as a New Leader Coaching for Improvement Setting Performance Expectations Coaching for Success Performance Appraisals Positive Discipline Resolving Conflict		
<u>Professional</u>		
Positively Assertive Interviewing workshop How to Be an Effective Team Member Taking Minutes at Municipal Meetings Conducting Effective Meetings Interpersonal Skills Understanding Self and Others		
<u>Technical</u>		
Introduction to MS Access 2003	Introduction to Excel 2003	Introduction to Excel 2003

The Human Resource Department has actively participated in the Municipal Government Training Academy by attending monthly meetings, developing ideas for courses, coordinating job specific training such as on site and on line software training which was a collaborative effort between the Borough's Information Technology Department and the Municipal Academy. We have worked with the Academy on the development of specific competencies that form the basis for courses that are offered. The Director of Human Resources has been invited and will facilitate a workshop on Diversity Awareness during the summer, 2009. Finally, we promote all course offerings broadly through our workforce, commissions, Board members and committees.

Performance Management

This year the Human Resource Department developed competency based performance evaluation tools for each non-union employee. The advantage of creating this type of tool is that job descriptions, training and performance management can be integrated to enhance performance. The initial step was to work on the non-union tool to include both core and job specific competencies. During the coming months, we will work to modify the job descriptions for non-union employees by including specific competencies, and work with the Training Academy to design training to address those competencies. The long term goal of the Borough is to negotiate with each union to ensure job descriptions are accurate, contain competencies and to have all employees working within a Competency Framework.

Affirmative Action and EEO Compliance

The 2008 Affirmative Action Plan was developed; goals were established and shared with Department Heads. Each month at the meeting of Mayor and Burgesses, we include a report as to the progress and/or challenges we are having meeting our goals. We point out our goals to department heads during their recruitment efforts. Affirmative outreach efforts have been incorporated into the Police Department recruitment efforts including job fairs and advertising in minority newspapers. A new job description was developed for an Intern along with appropriate guidelines. In this area, one complaint was filed and is pending a hearing with the Commission on Human Rights and Opportunities (CHRO). With respect to affirmative action, a summary of our

goals is included in **Exhibit K**. Our new hires showing progress in meeting those goals is included in **Exhibit K1**. The Personnel Policy Manual for Non-Union employees was updated this year, with a recommitment to affirmative action and equal employment opportunity. The Manual will be amended periodically.

Safety and Risk Management

This year we accomplished much in resurrecting the safety and health program of the Borough. The following actions were taken:

- A Safety Committee was reestablished which meets bimonthly
- Police and Fire also maintain Safety Committees
- Safety Committee policy statements were developed and distributed
- Safety Evacuation Plans were developed and distributed
- Department Heads were trained in Investigating Accidents and Injuries
- Departments have had safety assessments by CIRMA representatives
- Department safety self assessments have been completed
- Departmental safety inspections rotate to the location of the Safety Committee meeting
- Trend analysis of accidents conducted, revealing 77% of workers compensation cost and 49% of frequency involved sprains and strains. As a result, CIRMA Completed a sprain/strain prevention training, CIRMA assessed Police cruisers for trunk storage and recommended organizers to minimize lifting injuries.
- OSHA 300 and 300A forms for all departments and the Borough were published in a timely manner utilizing OSHA 300 software.
- DOT regulations require individuals with commercial driver's licenses to receive drug testing. This has been on-going. Random drug tests are coordinated and records maintained.
- OSHA Inspection of Town Hall, Parks and Recreation, Golf Course and Public Works resulted in citations and penalties; a plan of action was created, and with the assistance of all involved, remedial action was taken in a timely manner. Our efforts were recognized by OSHA and our penalties were reduced by 60%.
- **Exhibit L** reflects the use of Employee Assistance Services as reported by our current vendor, Behavior Consultants.

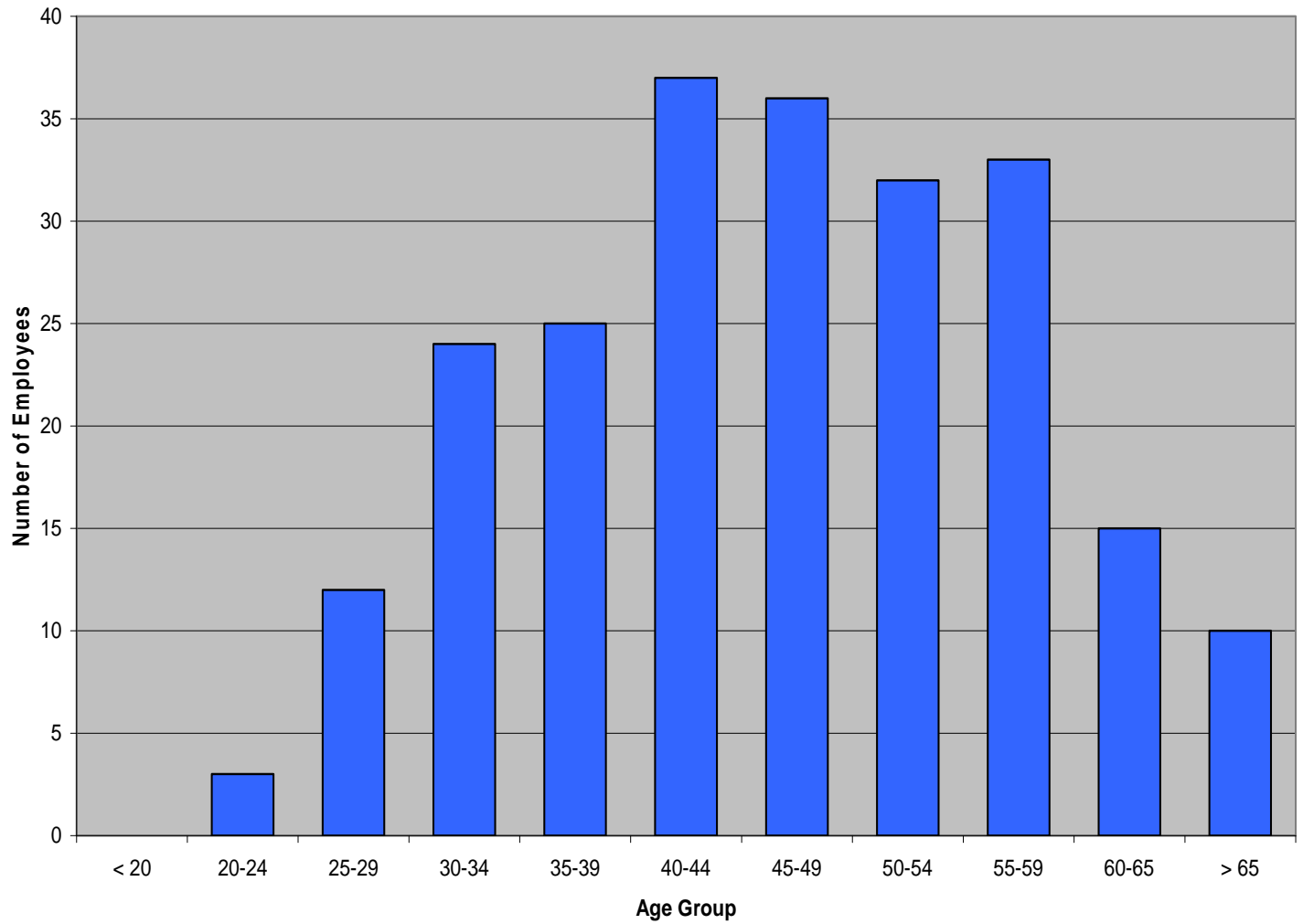
Examples of Strategic Initiatives for 2009-2011

- Complete contract negotiations with remaining unions by June 30, 2009.
- Implement lay-offs, furloughs or other reductions as needed.
- Negotiation drug free workplace policy with IAFF.
- Finalize job descriptions through Arbitration or otherwise with IAFF.
- Finalize pension issue with AFSCME that is long standing if possible.
- Develop a strategic plan and implement initial steps for an Employee Wellness Program.
- Explore the feasibility of a Workers Compensation Return to Work program.
- Conduct a claims review of all open workers compensation claims.
- Explore with Legal Counsel and Controller pension plan language as it relates to heart and hypertension retirements.
- Develop procedures for managers and supervisors that articulate a uniform practice of reporting incidents.
- Assist in assessing organizational structure for greater efficiency and high performance, and implementing any plans for reorganization.
- Expand competency based performance management framework.
- Enhance minority recruitment to meet Affirmative Action goals.
- Complete all annual compliance activities including required OSHA training.
- Conduct wage and salary benchmark survey.
- Evaluate the use of interns throughout the Town Hall.
- Other projects as may be assigned.

*List is subject to modification as other priorities are assigned.

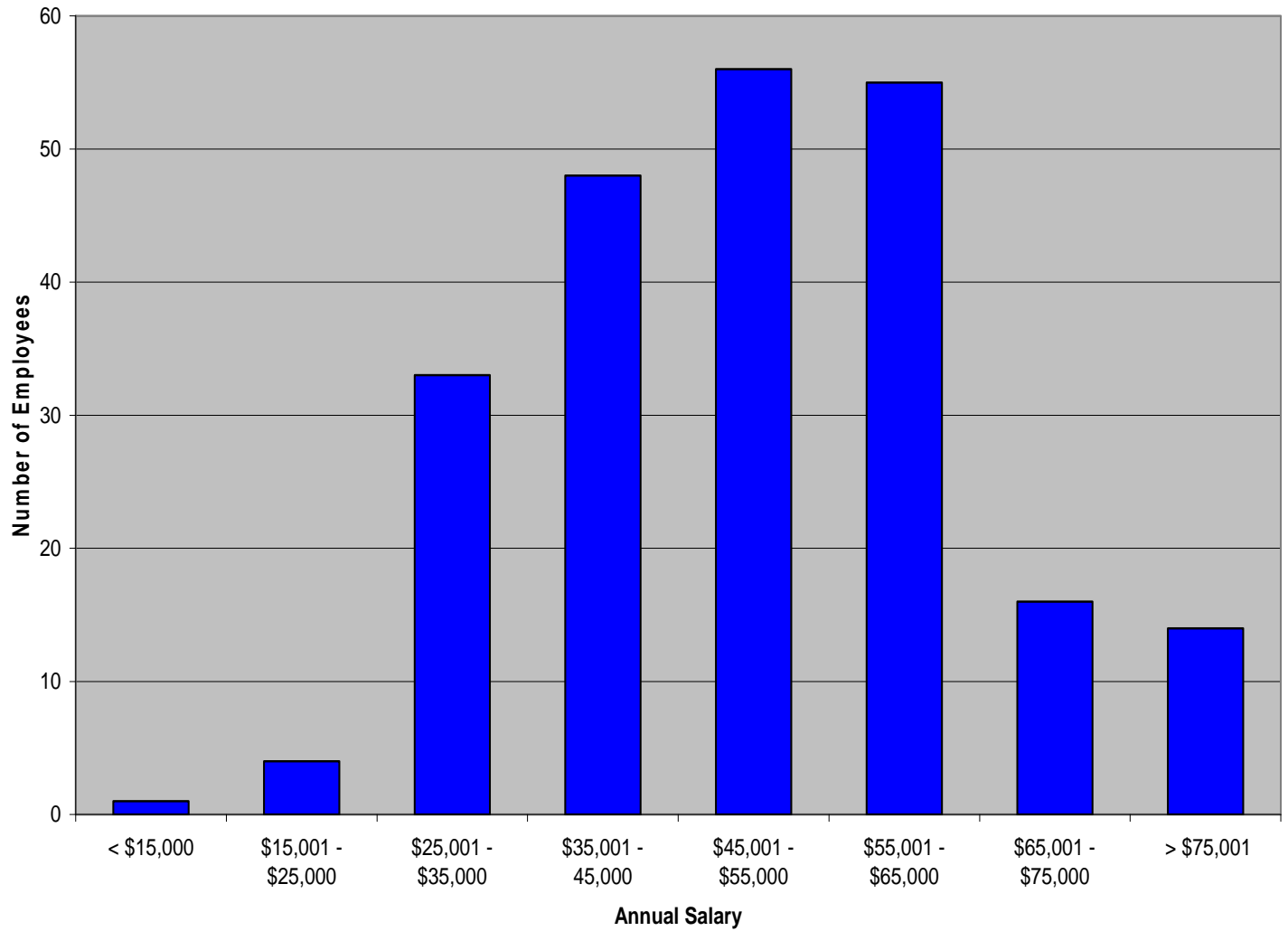
Borough of Naugatuck

Employees by Age Group



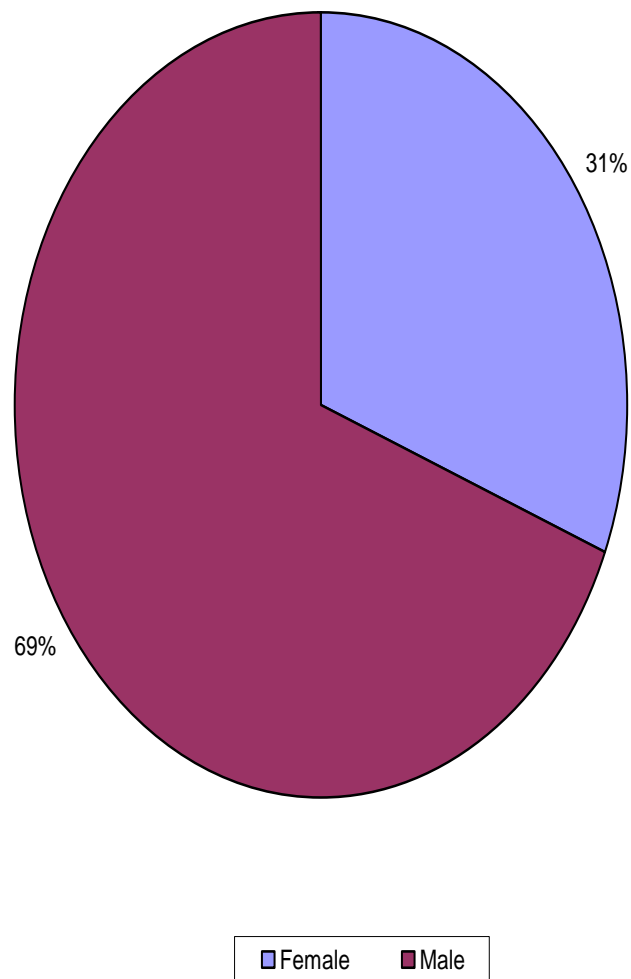
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Employees by Annual Salary



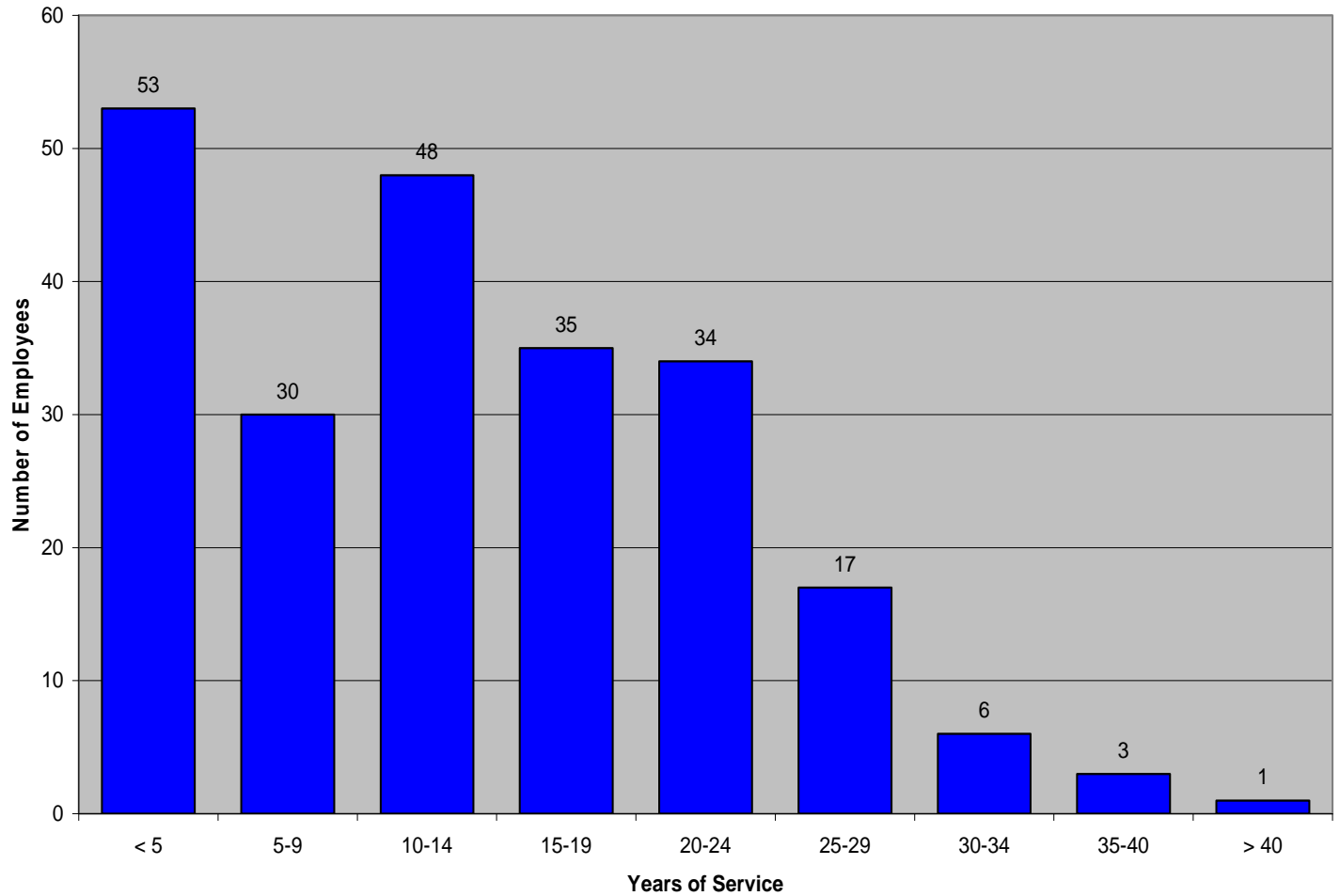
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Gender Representation



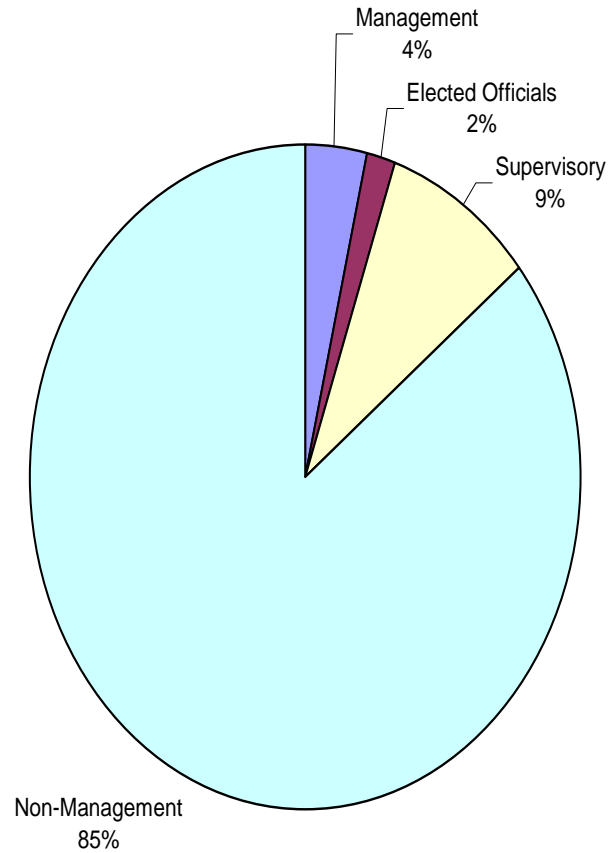
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Employees Years of Service



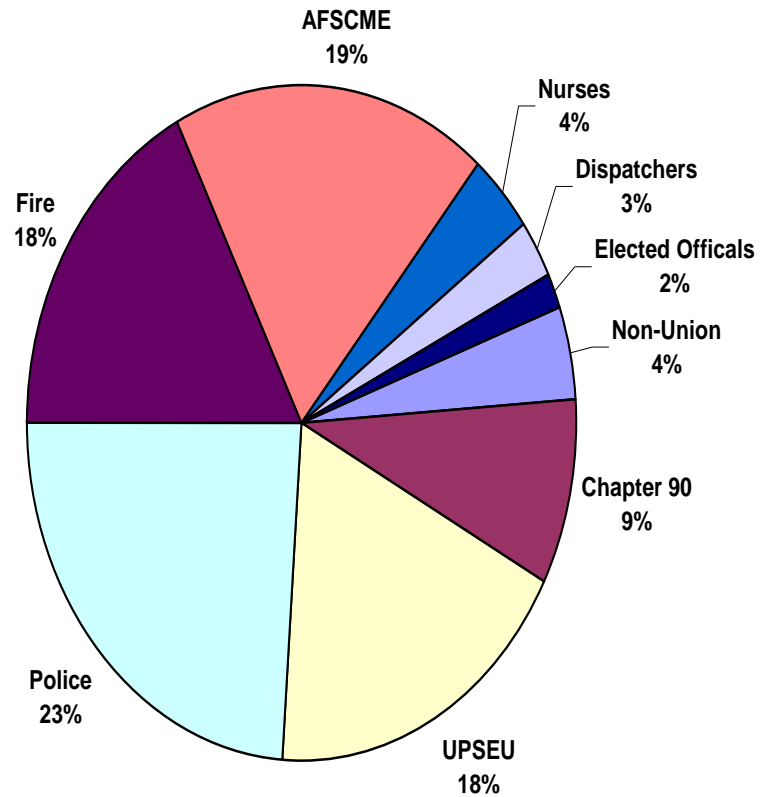
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Organizational Level Workforce Breakdown



Borough of Naugatuck

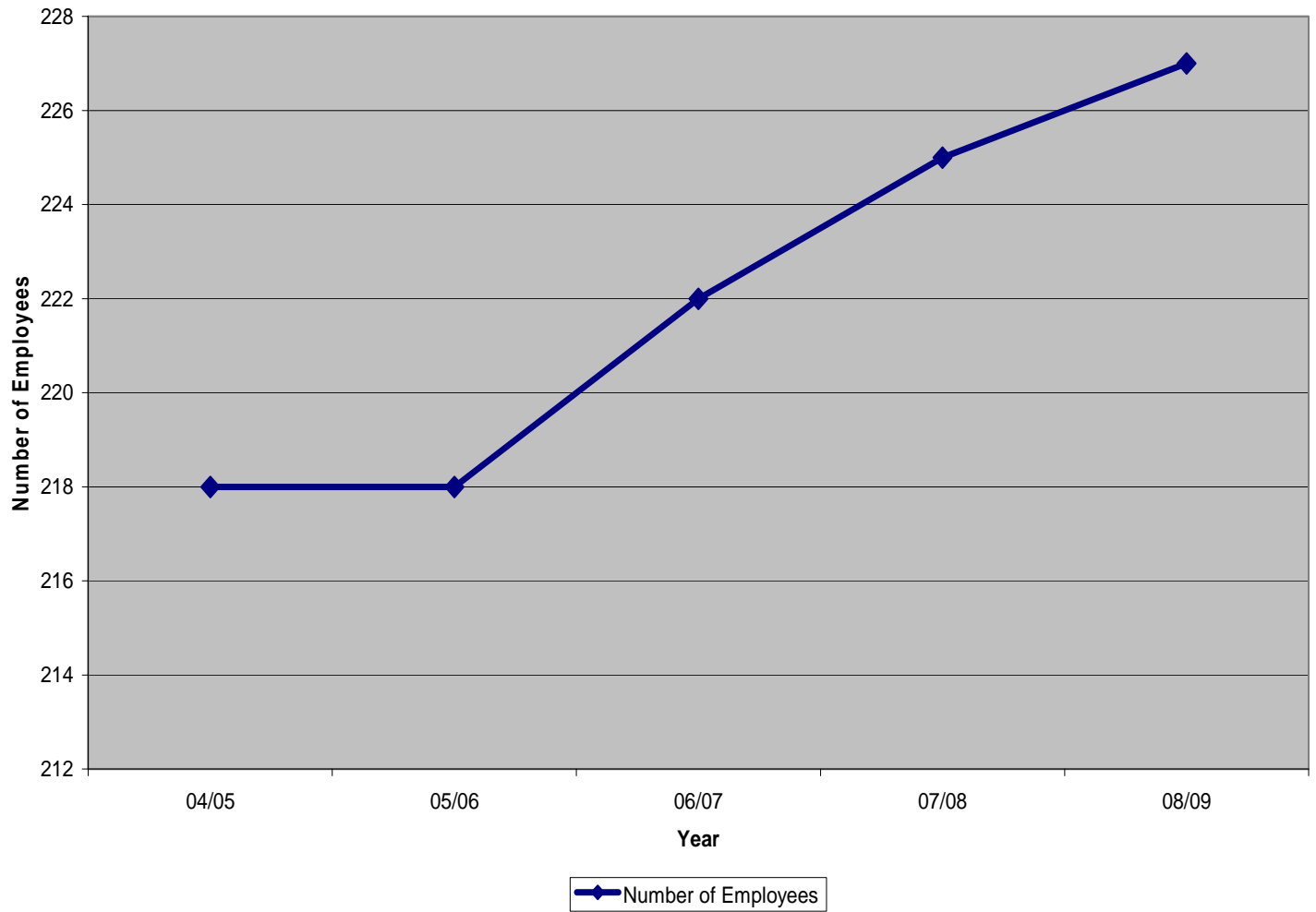
Employees by Bargaining Unit



Non-Union	Chapter 90	UPSEU	Police	Fire	AFSCME	Nurses	Dispatchers	Elected Officials
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Borough of Naugatuck

Number of Employees



Yearly Employee Growth

Year	Number of Employees	% of Growth
04/05	218	-
05/06	218	0%
06/07	222	2%
07/08	225	1%
08/09	227	1%

Borough of Naugatuck

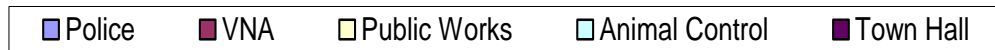
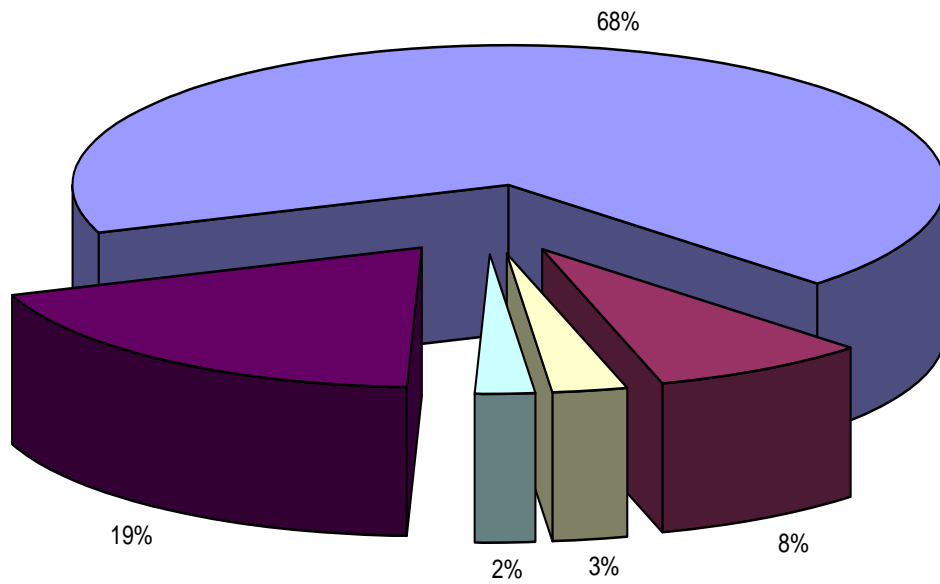
Job Title	Number of Employees
Account Clerk II	3
Account Clerk II /Field Inspector	1
Account Clerk II/ Bookkeeper	1
Account Clerk III	1
Administrative Aide	1
Administrative Secretary	2
Assessor	1
Assistant Controller	1
Assistant Dog Warden	1
Assistant Engineer	1
Assistant Mechanic	1
Assistant Office Manager	1
Assistant Payroll/ Office Manager	1
Assistant Secretary	1
Assistant to	2
Assistant to Registrar Vital Statistics	2
Assistant to Tax Collector	1
Assistant Town Clerk	1
Assistant Youth Services	1
Assistant Zoning Officer	1
Assistant Building Inspector	1
Borough Clerk	1
Borough Engineer and Planner	1
Building Inspector	1
Police Captain	1
Clerk Typist II	3
Clinical Supervisor	1
Controller	1
Crew Leader	5
Deputy Fire Chief	1
Deputy Fire Marshall	1
Deputy Police Chief	1
Detective	9
Director of Human Resources	1
Dog Warden	1
Driver/ Laborer/ Sanitation Fill-in	3
Driver/Laborer	9
Driver/Mason	1
Fire Captain	1
Fire Chief	1
Fire Dispatcher	4
Fire Inspector	1

Fire Lieutenant	1
Firefighter	30
Foeman	1
Garage Foreman	1
General Foreman	1
Greens Keeper	3
GIS Technician	1
Home Health Aide	4
Home Health Coordinator	1
Human Resources Assistant	1
Laborer	3
Laborer/Mason	1
Lieutenant	5
Mayor	1
Mechanic	2
MIS Coordinator	1
Network Administrator	1
Office Manager	1
Operator/Driver	3
Park and Recreation Superintendent	1
Party Chief	1
Patrolman	31
Physical Therapist	2
Police Chief	1
Police Dispatcher	6
Police Office Manager	1
Purchasing Agent	1
Recycle Center Coordinator	1
Road Foreman	1
Sanitation Laborer	6
Second Assistant Chief	1
Secretary	5
Senior Account Clerk	4
Senior Center Director	1
Senior Mini Bus Driver	1
Senior Nurse	1
Sergeant	6
Sewer Inspector	1
Sewer Maintenance/ Driver/Laborer	1
Sewer Maintenance/Laborer	1
Sign Painter/ Maintenance	2
Staff Accountant/Pension and Payroll	1
Staff Nurse	6
Street Superintended	1
Tax Collector	1
Town Clerk	1
Facilities Manager	1
Town Planner	1
Police Training Officer	1

VNA Director	1
Youth Services Director	1
Zoning Enforcement Officer	1
Total Number of Employees	228

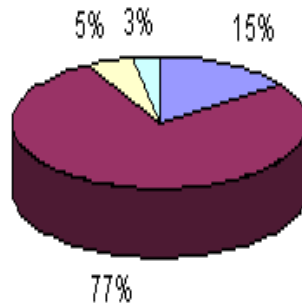
Borough of Naugatuck

Advertising Expenditures April 2008 - March 2009



Borough of Naugatuck

Leadership and Staff Development
Period Covering Nov. 2007- Mar. 2009



■ Leadership Training ■ Safety & Compliance Training ■ Professional Training ■ Technical (Computer)

*Total participants in training was 319

Training is conducted through a variety of sources including Human Resources, vendor training, and the Municipal Government Training Academy

Borough of Naugatuck

Job Categories	Males					Females				
	White	Black	Hisp.	Asian	Am-I	White	Black	Hisp.	Asian	Am-I
Officials & Manager								1		
Professionals		1								
Technicians		1	1							
Service Workers							1			
Office & Clerical		5	1							
Craft Worker		1	1							
Operator										
Laborers							1		1	

Borough of Naugatuck

New Hires from April 2008- March 2009

Job Categories											
Males						Females					
	Total	White	Black	Hisp.	Asian	Am-I	White	Black	Hisp.	Asian	Am-I
Officials & Manager	1						1				
Professionals**	2	1					1				
Technicians°	3	3									
Service Workers*.	8	7					1				
Office& Clerical	5	1					4				
Craft Worker	0										
Operator	0										
Laborers	1	1									
Totals	20	13	0	0	0	0	7	0	0	0	0

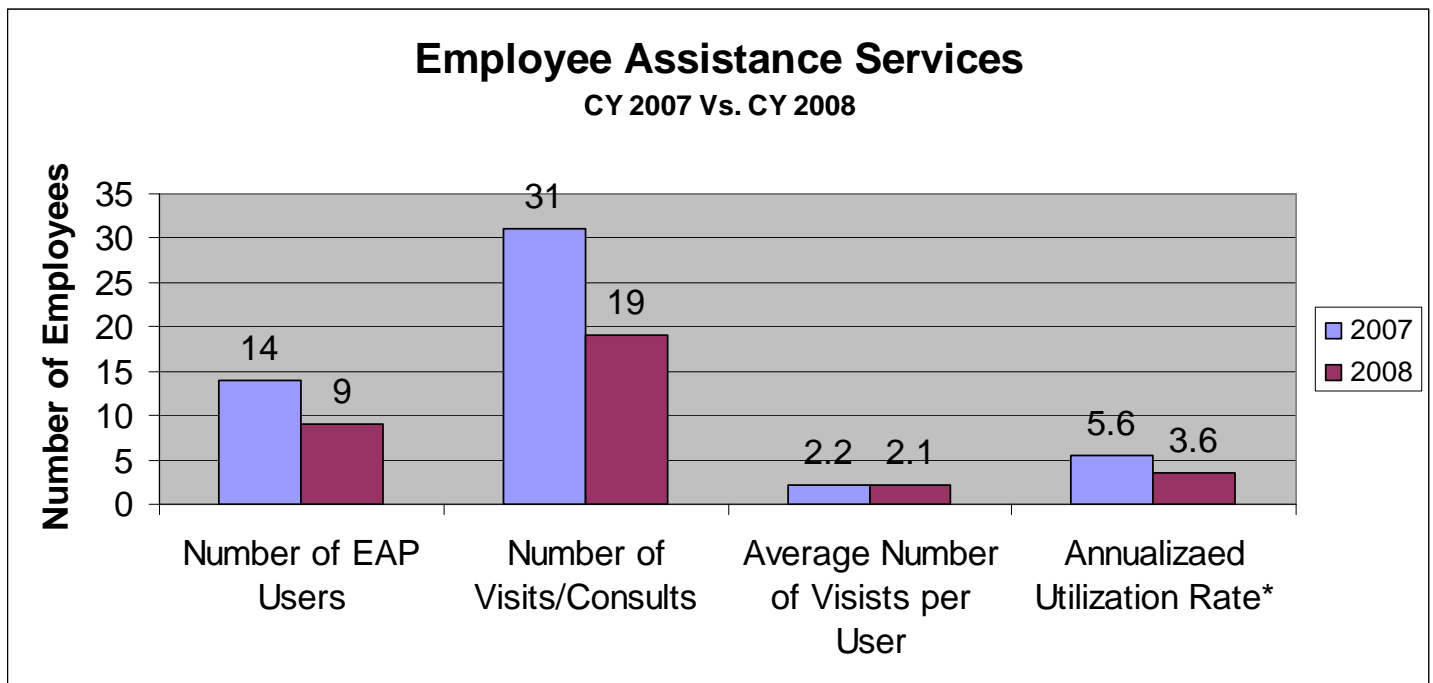
* Police had 5 minority candidates: black and Hispanic candidates failed the background check and 3 Hispanic candidates had poor work history.

** One Female Borough Engineering Assistant candidate had negative references.

°2 white males filled the Building Inspector position and 1 resigned. No minority applicants.

· 2 Police Officers were lateral transfers.

Borough of Naugatuck



***Vendor: Behavioral Consultant Services**

Administrative, Training, or Organizational Development Activities:

During 2007 EAP provided 11 Management phone consultations, 7 were for the Police Department 9 employee orientation meetings and provided 7 hours of peer support training to the Police/ Department, for a total of 21 hours.

During the 2008 EAP provided 5 management phone consultations to the Police Department and one administrative meeting to review EAP services at Town Hall.